



County of Los Angeles
Sheriff's Department Headquarters
4700 Ramona Boulevard
Monterey Park, California 91754-2169



LEROY D. BACA, SHERIFF

September 12, 2002

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

**APPROVAL OF AGREEMENT WITH ACS STATE AND LOCAL SOLUTIONS
FOR PARKING CITATION PROCESSING SERVICES
(ALL DISTRICTS) (3 VOTES)**

**CIO RECOMMENDATION: APPROVE ☒ APPROVE WITH MODIFICATION ()
DISAPPROVE ()**

IT IS RECOMMENDED THAT YOUR BOARD:

1. Approve and instruct the Chairman of the Board to sign the attached Agreement with ACS State and Local Solutions (ACS), formerly Lockheed Martin IMS, effective upon Board approval, for a term of three (3) years, with two (2) additional one year extension options, and a month-to-month extension for up to twelve (12) months beyond the extended term to provide parking citation processing services, a revenue generating operation, to the Los Angeles County Sheriff's Department in the unincorporated areas of Los Angeles County
2. Authorize the Sheriff to modify the Agreement within the conditions specified in the Agreement, including authority to exercise the extension provisions for two (2) additional one year options and the month-to-month option for a maximum period of twelve (12) months beyond the extended term.

A Tradition of Service

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of the recommended action is to contract with ACS to provide parking citation processing services, a revenue generating operation, for the Sheriff's Department. The fees paid to the Contractor for its services will be offset by the revenue generated from the parking citation fines and penalties that the Contractor will process, collect and deposit to the County.

ACS will be responsible for processing citations, maintaining citation records, sending notices, interfacing with the Department of Motor Vehicles to obtain vehicle ownership data, and collecting and depositing citation fees and penalties with the County.

Implementation of Strategic Planning Goals

The proposed recommendation supports the County's Strategic Plan for Service Excellence and Fiscal Responsibility. Under this Agreement, the Contractor, who specializes in collection services, coordinates the entire parking citation collection process, including sending required notices, tracking citations, maintaining records and collecting and depositing parking citation fees and penalties. Also, the Contractor has the capability of offering alternative methods of payment which make the process more convenient and accessible for the public.

This Agreement has been added to the Sheriff's Business Automation Plan and is included in the Sheriff's Fiscal Year 2002-2003 Budget. The use of a software application to maintain the County's data and a Web browser for the public to pay the incurred fines has changed the nature of the contract into an information technology contract.

FISCAL IMPACT/FINANCING

The County will not incur any Net County Cost for the time period prescribed by this Agreement.

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Currently parking citation ticket processing generates approximately \$6 million per year in revenue.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

Currently, ACS is providing parking citation processing services to the Department through Agreement No. 68095. The Agreement was approved by the Board on May 1, 1995, for a term of three (3) years plus two (2) optional one-year extensions; however, this Agreement has since expired. The Department will be requesting Board approval, concurrent with this request, to revive and extend Agreement 68095 to the effective date of the new Agreement.

The requested Agreement provides that the County of Los Angeles has no obligation to pay for expenditures incurred by ACS beyond the Agreement amount. Further, ACS will not be asked to perform services which exceed the Agreement amount, scope of work, or contract dates.

ACS has been notified of the Los Angeles County Child Support Services Compliance Program. The Child Support Services Department has verified that the contractors are in compliance with the required program.

This Agreement has been reviewed by the Chief Information Office and has been reviewed and approved as to form by the Office of the County Counsel. ACS is in compliance with all Board, Chief Administrative Office and County Counsel requirements.

CONTRACTING PROCESS

On July 17, 2001, the Los Angeles County Sheriff Department issued a Request for Proposals (RFP) to approximately 150 vendors. A Bidders Conference was held on August 9, 2001 and four (4) proposals were received by the deadline of September 27, 2001.

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An Evaluation Committee comprised of members from the Sheriff's Department, Los Angeles City, and Internal Services Department evaluated and scored each proposal and unanimously recommended ACS as the selected vendor. Of a possible 10,000 points, ACS ranked in first place and scored 100% of the maximum points allowed in each category (i.e. RFP Format and Requirements, Desirable Qualifications, Statement of Work, Price Quote, References and Financial Statement Analysis). Additionally, the proposal submitted by was the lowest priced. No appeals were received.

IMPACT ON CURRENT SERVICES

Approval of this Agreement with ACS will ensure uninterrupted parking citation processing services for the Sheriff's Department, as more fully described in the Agreement.

CONCLUSION

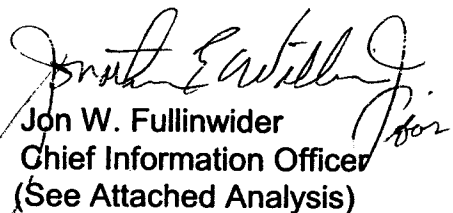
Upon approval by your Board, please return an adopted copy of this action and the original executed agreement to the Sheriff's Department, Contracting Unit, for further processing.

Respectfully submitted,

Reviewed by:



LEROY D. BACA
SHERIFF



Jon W. Fullinwider
Chief Information Officer
(See Attached Analysis)

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LDB:PKT:MMcD:JC:IC
(Administrative Services Division - Contracts Administration Unit)

Attachment

cc: Justice Deputies
Executive Officer, Board of Supervisors
Lloyd W. Pellman, County Counsel
J. Tyler McCauley, Auditor-Controller
Rochelle Goff, Departmental Analyst, Chief Administrative Office
Kenneth G. Johnson, Jr., Captain - COPS Bureau
Paul K. Tanaka, Acting Chief, Administrative Services Division
Michael R. McDermott, Captain, Financial Programs
Sharon Bilbrey, Manager, Parking Enforcement Detail
Glenn Dragovich, Assistant Director, Financial Programs
Patricia Hawkins, Director, Fiscal Administration
Conrad Meredith, Manager, Budget
Joe Cruz, Manager, Contracts Administration Unit
Irma Cobos, Contracts Administration Unit
Chrono File
(Parking Citation Processing Services Agreement)

CIO ANALYSIS

ACS STATE AND LOCAL SOLUTIONS, INC. (ACS)

PROPOSED NEW AGREEMENT

CIO RECOMMENDATION: ☒ APPROVE ☐ APPROVE WITH MODIFICATION
☐ DISAPPROVE

Contract Type:

☒ New Contract ☐ Contract Amendment ☐ Contract Extension
☐ Sole Source Contract

New Contract Term: Base Term: 3 Years # of Option: 2 Years
 With a month-to-month extension for up to 12 months beyond the extended term.

Contract Components:

☐ Software ☐ Hardware ☐ Telecommunications
☒ Professional Services

Project Executive Sponsor: Chief Paul K. Tanaka, Los Angeles Sheriff's Department

Budget Information :

| | |
|---------------------------|--|
| YTD Contract Expenditures | The proposed Agreement is a revenue contract and varies from year to year. The revenue is predicted to be \$6 million per year. Expenditures are calculated using a flat rate per citation and are predicted to be \$400,000 per year. |
|---------------------------|--|

Project Background:

| Yes | No | Question |
|-------------------------------------|-------------------------------------|---|
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Is this project legislatively mandated? In 1994, the California Legislature mandated the transfer of collection of parking citations from the Courts to a processing agency within the County. For Los Angeles County, the processing agent is the Los Angeles Sheriff's Department. |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | Is this project subvented? If yes, what percentage is offset? |

Strategic Alignment:

| Yes | No | Question |
|-------------------------------------|--------------------------|--|
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Is this project in alignment with the County of Los Angeles Strategic Plan? Yes, the project supports County Strategic Plan Goal 1: Service Excellence and Goal 4: Fiscal Responsibility. |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Is this project consistent with the currently approved Department's Business Automation Plan (BAP)? Yes, the project has been identified in the Department's FY 2002-2003 BAP. |

Strategic Alignment, continued:

| Yes | No | Question |
|-------------------------------------|--------------------------|---|
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Does the project's technology solution comply with County of Los Angeles IT Directions Document? Yes, The contract requires that ACS implement a Web site for the payment of parking citations. County IT Directions Goal 1: Conducting government electronically |
| <input type="checkbox"/> | <input type="checkbox"/> | Does the project technology solution comply with preferred County of Los Angeles IT Standards? Not Applicable. |

Contract Description:

The Sheriff's Department is requesting your Board's approval of a proposed Parking Citation Processing Services Agreement with ACS State and Local Solutions (ACS). The parking citation fine and penalty revenue that the ACS collects and transfers to the County is approximately \$6 million per year. This revenue offsets the fee paid to ACS for its services as the collection and processing agency for Los Angeles County. The fee paid to ACS is approximately \$400,000 per year, depending on the yearly parking citation volume. The County will not incur any Net County Costs during the time period of this proposed Agreement.

Contract Background:

In 1994, the California Legislature approved Assembly Bill 1228, which transferred the responsibility for the collection of parking citations from the Courts to a processing agency within the County. For the County of Los Angeles, this processing agency is the Los Angeles Sheriff's Department. The Los Angeles Sheriff's Department, recognizing that an outside agency could more quickly provide the manpower and services needed for this mandate, proposed contracting with Lockheed IMS for these services. Your Board approved Agreement 68095 on May 1, 1995 with Lockheed IMS. In August 2001, Affiliated Computer Services, Inc. purchased Lockheed IMS, renaming the entity: ACS State and Local Solutions (ACS). ACS has been the incumbent vendor for Agreement 68095 since the acquisition.

This proposed Agreement, principally an extension of existing Agreement 68095 with ACS, provides parking citation processing services for the Sheriff's Department. ACS is responsible for processing citations, maintaining citation records, sending notices, interfacing with the Department of Motor Vehicles to obtain vehicle ownership data, and collecting and depositing citation fees and penalties with the County. The proposed Agreement specifies a three-year time period with two (2) one-year extensions and beyond the two (2) one-year extensions, a month-to-month extension for up to 12 months.

Prior to the existing Agreement's expiration, the Sheriff's Department engaged in a competitively bid process to replace existing Agreement 68095, thereby providing continuous parking citation processing services. The Department received one response to their first Request For Proposal (RFP). The response that the Department received did not meet the minimum requirements of the RFP. The Sheriff's Department surveyed all qualified vendors, modified the RFP requirements and conducted a second competitive bid. This second

competitive bid process produced four acceptable responses by the deadline of September 27, 2001. An Evaluation Committee composed of representatives from the Sheriff's Department, Chief Administrative Office, Internal Services Department and City of Los Angeles scored the four proposals. The proposal submitted by ACS ranked highest in evaluation points and lowest in cost. No appeals were received.

Contract Justification/Benefits:

The proposed Agreement has been added to the Sheriff's Fiscal Year 2002-2003 Business Automation Plan since it was originally a revenue services contract. The required use of a software application to maintain the County's data and a Web browser for the public to pay the fines incurred has changed the nature of the contract into an information technology contract.

This Agreement is included in the Sheriff's Fiscal Year 2002-2003 budget.

Benefits of the proposed Agreement include the continued, timely processing and collection of all notices of parking violations issued throughout the County of Los Angeles.

Contract Metrics

The Statement of Work (SOW) details citation processing, data input, basis for collection fee, output reports and on-line inquiry procedures in the software application that ACS utilizes to track and maintain parking citation information. The required software functionality exists today and is currently in service. The SOW contains service level specifications for error corrections, timely delivery of notices of delinquent parking, timely input of citation data, and timely delivery of reports.

The SOW requires ACS to implement an ACS Web site to provide an alternative method for the public to pay their parking citations to ACS. ACS will aggregate all monies from the various payment methods and transfer monies to the Sheriff's Department. Personnel from the Sheriff's Parking Enforcement Detail and Data Systems Bureau will provide oversight for ACS' Web site implementation and may recommend new procedures to be put into place prior to the Web site being available to the public.

Impact If Proposal Is Not Approved

The primary impact to the Sheriff's Department would be the loss of revenue that offsets the Sheriff's expenses incurred in issuing parking citations. In 1992, California State legislature, with Assembly Bill 408, removed parking enforcement from criminal code, recasting it as a civil procedure. There exists a time limit for commencement of a civil action, which now includes parking citations.

Alternatives Considered:

The Sheriff has deemed that the County is better served by an outside agency performing the parking citation collection and processing services. Constructing and issuing another Request For Proposal (RFP) for these services would not yield different results. The proposal

submitted by ACS ranked highest in evaluation points and lowest in cost and no appeals were received.

ACS specializes in business process and technology outsourcing to commercial and government agencies. ACS' stability is reflected by their revenues of approximately \$3.8 billion with a pretax operating and pretax margins of 13.6% and 13.0%, respectively. ACS' most recent United States Securities And Exchange Commission Form 10K report documented their current activities and did not identify any concerns.

Contract Risks:

The risks associated with the proposed Agreement are minimal. The proposed Agreement is an extension of services currently being performed by ACS.

Risk Mitigation Measures:

The proposed Agreement has "Recovery From Catastrophic Failure" requirements. ACS is required to resume operations within three days after a natural disaster, flood or fire and within 24 hours after a loss of services or data.

Financial Analysis:

The proposed Agreement provides for the prompt processing of the parking program for the unincorporated areas of Los Angeles County. The proposed Agreement collects approximately \$6 million in yearly revenue with yearly contract expenditures of \$400,000.

CIO Concerns:

None.

CIO Recommendations:

My office supports this action and recommends approval by the Board.

CIO APPROVAL

Date Received: 9-18-2002
Prepared by: James R. Hall
Date: 9-26-2002
Approved: [Signature]
Date: 9/26/2002